

Message Text

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TAGS: ECOSOC EGEN

SUBJ: 57TH ECOSOC-UK STATEMENT IN PLENARY DEBATE

SUMMARY: UK SPOKESMAN (DAVID ENNALS, MINISTER OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS) DELIVERED HARD-HITTING SPEECH, COVERING IN PARTICULAR THE CONSEQUENCES OF THE RISE IN PETROLEUM PRICES, THE NEED FOR IMMEDIATE ATTENTION TO THE MSA'S, AND THE UK'S REACTION TO THE 6TH SPECIAL SESSION. WE BELIEVE THIS STATEMENT SIGNIFICANT ENOUGH TO REPORT IN SEPARATE TELEGRAM. END SUMMARY.

1. WITH REGARD RISE IN PETROLEUM PRICES, ENNALS ARGUED THAT THESE INCREASES HAVE CREATED UNPRECEDENTED DETERIORATION OF TERMS OF TRADE OF CONSUMING COUNTRIES, ADDED A DANGEROUS DIMENSION TO INFLATION AND INCREASED THE DANGER OF WORLD RECESSION. WITH REGARD RECESSION POINT, ENNALS ARGUED THAT THIS TIED UP WITH PROBLEM OF RECYCLING OIL PRODUCER SURPLUSES, WHICH WOULD PRESENT NO PROBLEM IF THESE SURPLUSES RELEASED TO WORLD ECONOMY. TROUBLE IS THAT DEFICIT COUNTRIES WILL LOOK FOR WAYS FOR AVOIDING DEBT, POSSIBLY BY EMPLOYING RESTRICTIVE MEASURES, AND POORER COUNTRIES DON'T HAVE BORROWING ABILITY. (COMMENT: LOGICAL UNCLASSIFIED

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CONCLUSION THIS POINT IS THAT THERE WILL BE WORLD-WIDE RECESSION,

WHICH WHILE NOT QUITE STATED BY ENNALS WAS CLOSEST TO A PREDICTION, AS OPPOSED TO A WARNING, ON THIS QUESTION THAT WE HAVE HEARD YET).

2. WITH REGARD ATTENTION TO MSA'S, ENNALS SAW URGENT NEED TO SOLVE THEIR IMMEDIATE PROBLEMS, AND THE ESSENTIAL PRIORITY OF THE UN TO IMPLEMENT PROGRAM OF EMERGENCY MEASURES AGREED TO AT 6TH SPECIAL GA. WENT ON TO EXPRESS DISAPPOINTMENT WITH LIMITED RESPONSE TO SYG'S APPEAL, AND HOLDING UP EEC PLEDGE OF \$500 MILLION, PROVIDING OTHER COUNTRIES DID THEIR PART, STATED THAT, "WE NOW LOOK TO THE REST OF THE WORLD TO FOLLOW THE LEAD WE IN EUROPE HAVE ALREADY TAKEN."

3. FINALLY, ENNALS MADE HARD-HITTING STATEMENT ON THE 6TH SPCEIAL GA, POINTING OUT THAT: (A) THERE IS NO NEW INTERNATIONAL ECONOMIC ORDER IN SPITE OF THE BOLD WORDS; (B) ACTION PROGRAM REFLECTS MORE THE ANTAGONISMS OF THE PAST AND THE FRUSTRATIONS OF THE PRESENT RATHER THAN A CONSENSUS ON PRIORITIES FOR THE FUTURE; AND (C) THE ADOPTION OF THE DECLARATION AND ACTION PROGRAM WAS NOT A GENUINE CONSENSUS. WITH REGARD LATTER POINT, HE APPEALED FOR WILLINGNESS TO MAKE CONCESSION "BY THOSE WHOSE INTERESTS DO NOT PRECISELY COINCIDE." WENT ON TO SAY THAT PERHAPS DECLARATION OF ECONOMIC RIGHTS AND DUTIES WILL BE OF GREATER SIGNIFICANCE, TO WHICH MEMBER STATES WILL MORE FREELY SUBSCRIBE, BECAUSE IN ITS PREPARATION THERE HAS BEEN A GENUINE ATTEMPT TO FIND ACCEPTABLE FORMULATIONS TO ALL NATIONS CONCERNED.

4. FOREGOING WAS MAIN PART OF SPEECH, WHICH DESIGNED TO SET UK TONE FOR DELIBERATIONS THIS ECOSOC. AS FOR THESE DELIBERATIONS, ENNALS SAW THE MAJOR FOCUS TO BE PREPARATIONS FOR: THE 1975 SPECIAL SESSION, THE NEXT GA AND UNCTAD IV. IN THIS REGARD, HE PROPOSED THAT ECOSOC DECIDE AT THIS SESSION ON ALLOCATION OF TASKS BETWEEN AGENCIES AND ORGANS OF UN SYSTEM, WITH VIEW TO BEING IN POSITION BY SPRING 1975 ECOSOC TO MAKE APPROPRIATE RECOMMENDATIONS TO 1975 SPECIAL GA AND UNCTAD IV. IN THIS FRAMEWORK, ENNALS POINTED OUT CLEAR NEED TO RE-ESTABLISH AN ORDERLY FRAMEWORK OF INTERNATIONAL ENERGY TRADE, AND NEED TO ESTABLISH ORDER INPLACE OF CONFUSION IN OPERATIONS OF MNC'S (NOTED UK ACCEPTANCE OF EMINENT PERSONS REPORT WITH RESPECT TO ESTABLISHMENT OF COMMISSION OF EXPERTS).

5. IN HIS CONCLUSION, WHICH CAST PROBLEM OF 57TH ECOSOC IN BROADER TERMS, ENNALS WARNED THAT THE REAL DISCUSSIONS WILL BE TAKEN OUT-UNCLASSIFIED

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SIDE THE UN IF THE UN DOES NOT FACE UP TO THE FACT THAT "POLITICS IS THE ART OF THE POSSIBLE;" WARNED THAT, IN THE CONTEXT OF COLLECTIVE ECONOMIC SECURITY, IT IS WRONG TO COMPARE ORDER WITH UNIFORMITY; POINTED OUT THAT THERE MUST BE A MIDDLE WAY BETWEEN THE POLICIES OF GROWTH AND REDISTRIBUTION; AND INDICATED THAT SOLUTIONS TO PROBLEMS ARE NOT FOUND BY CHANGING ORGANIZATIONAL STRUCTURES. DALE

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